

# 221 W. CREST



**CBRE**

INVESTMENT PROPERTIES

PRIVATE CAPITAL PARTNERS

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# investment.

HIGH-END THREE-STORY OFFICE BUILDING WITH LARGE FLOOR PLATES, AN IMPRESSIVE LOBBY, EXCEPTION GLASS LINE, BUILDING-TOP SIGNAGE, AND EXCELLENT EGRESS/INGRESS.



## INVESTMENT SUMMARY



**ASKING PRICE**  
\$6,448,160 (\$208/PSF)



**WEBSITE**  
[ipsocal.com/221WCrest](http://ipsocal.com/221WCrest)



**ADDRESS**  
CREST CORPORATE CENTER  
221 WEST CREST STREET,  
ESCONDIDO, CA 92025



**BUILDING SIZE**  
±30,896 SF  
(2018 BOMA SQUARE FOOTAGE)



**LAND SIZE**  
±68,389 SF / ±1.57 ACRES



**PARKING**  
103 TOTAL SURFACE PARKING ~3.2:1,000  
RSF PARKING RATIO  
Potential to purchase neighboring parking lot  
taking the parking ratio to 6.33 per 1,000 RSF



**YEAR BUILT**  
1991



**STORIES**  
THREE (3)

## RARE OWNER/USER OFFICE BUILDING FOR SALE IN ESCONDIDO, CA

- ▶ High-end three-story office building with large floor plates, an impressive lobby, exceptional glass line, building-top signage, and fenced parking lot with an automated gate. The property would serve as an ideal corporate headquarters for an owner-user seeking a lease savings trade-off.
- ▶ The building is currently 49.5% leased. This gives the ability for an owner user to occupy 15,586 SF and receive income from the other tenants on the first and second floors.
- ▶ The neighboring parcel can also be potentially acquired which would increase the parking ratio to 6.33 per 1,000 SF. Please call broker for additional details.

### ▶ **OWNER-USER ADVANTAGE**

This is an ideal office owner user investment that provides an attractive lease-saving trade-off. As opposed to leasing space, a purchase provides protection against future rental market uncertainty and rate hikes. It further offers occupancy control, significant tax benefits and after-tax equity accumulation.

### ▶ **BONUS DEPRECIATION ADVANTAGE**

Given the new tax legislation passed July 2025, a buyer would not have any occupancy cost in the first year given the estimated depreciation benefits. **Depending on the amount of square footage a buyer occupies, the occupancy savings are significant which total \$66,351/month. (See Lease vs. Own Illustration on page 29.)**



# EXCELLENT MARKET FUNDAMENTALS

▶ The current office vacancy rate in Escondido is a healthy 9.1% and remains one of the strongest office markets in San Diego County evident by its historical stability of its vacancy rates as illustrated below:

▶ Escondido Office Vacant Rates:  
(source: Costar)

9.1%  
CURRENT  
VACANCY RATE

8.7%  
2-YEAR  
AVERAGE

9.17%  
3-YEAR  
AVERAGE

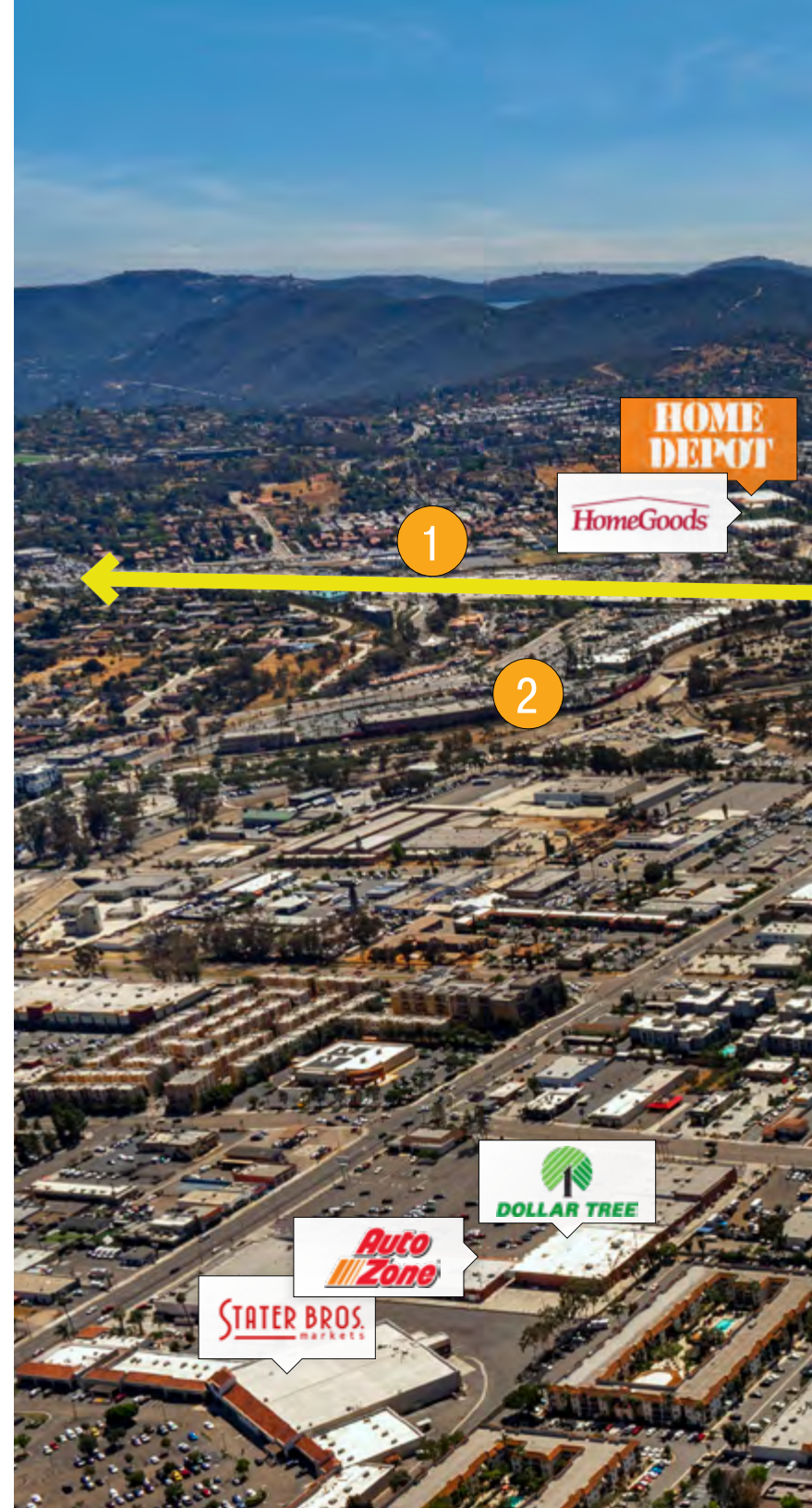
8.8%  
5-YEAR  
AVERAGE

8.35%  
10-YEAR  
AVERAGE

▶ North County San Diego continues to show positive absorption and declining Class A vacancy, positioning 221 W Crest St to benefit from ongoing tenant demand and flight-to-quality trends.

## AMENITY-RICH LOCATION IN NORTH SAN DIEGO

- ▶ Escondido is strategically located at the intersection of the 78 and I-15 and provides convenient access to both North County San Diego and Central San Diego along the I-15 corridor. For this reason, Escondido is highly sought after for regional North County tenants wanting to open one location to service both markets.
- ▶ North County San Diego is the place where innovation meets lifestyle. From tech startups to life sciences to manufacturing, the 78 Corridor attracts top talent and continues to grow. Escondido is centrally located in between Carlsbad and Rancho Bernardo, two of the highest concentrations of STEM workforce in the county.
- ▶ Escondido offers attractive homes in a wide range of prices, two lakes, several parks, a sports center, golf courses, restaurants, wineries, shopping centers, comprehensive healthcare and the nearby San Diego Zoo Safari Park.
- ▶ Close proximity to Palomar Medical Center which opened its doors in the Escondido Research and Technology Center in 2012, is the centerpiece of the region's healthcare system and is recognized as one of the most technologically advanced hospitals in the world. The medical center features 288 private single-patient rooms, 44 emergency and trauma rooms and 11 operating rooms. The 56-acre campus will expand in phases - up to double its current size - to meet the developing needs of North San Diego County's growing community



# PALOMAR HEALTH

288 private single-patient rooms  
44 emergency and trauma rooms and  
11 operating rooms



# 221 W.CREST

1

2

W MISSION AVE

W MISSION AVE

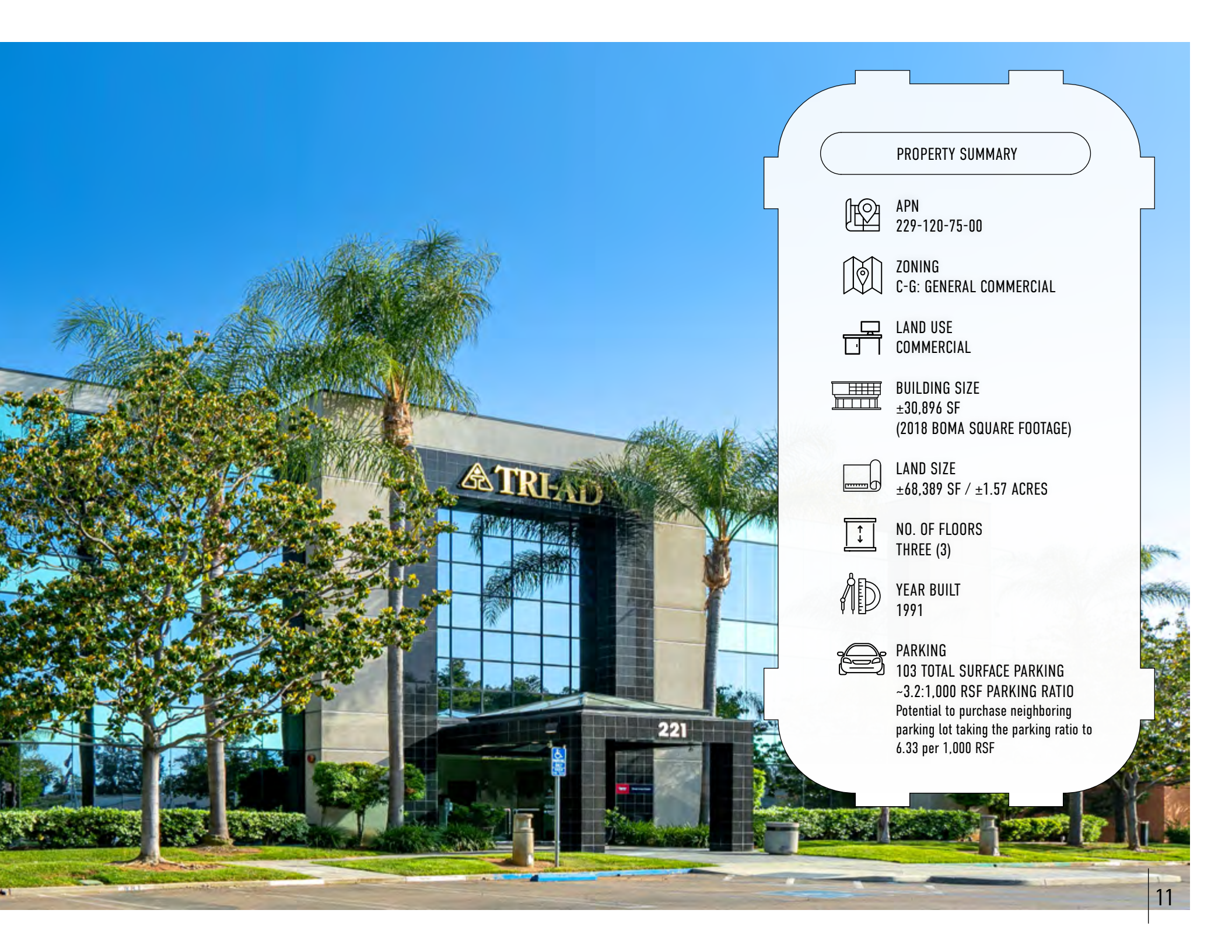
W CREST ST

N. ESCONDIDO BLVD





# property.



PROPERTY SUMMARY



APN  
229-120-75-00



ZONING  
C-G: GENERAL COMMERCIAL



LAND USE  
COMMERCIAL



BUILDING SIZE  
±30,896 SF  
(2018 BOMA SQUARE FOOTAGE)



LAND SIZE  
±68,389 SF / ±1.57 ACRES



NO. OF FLOORS  
THREE (3)



YEAR BUILT  
1991



PARKING  
103 TOTAL SURFACE PARKING  
~3.2:1,000 RSF PARKING RATIO  
Potential to purchase neighboring  
parking lot taking the parking ratio to  
6.33 per 1,000 RSF

## PROPERTY DESCRIPTION



### GROUNDS

Grounds consist of asphalt-paved parking areas and standard landscaping. Site landscaping consists of trees, flowerbeds and planters throughout the site.



### FOUNDATION

Reinforced concrete.



### STRUCTURE

Steel and concrete.



### ROOFING SYSTEM

Flat roof.



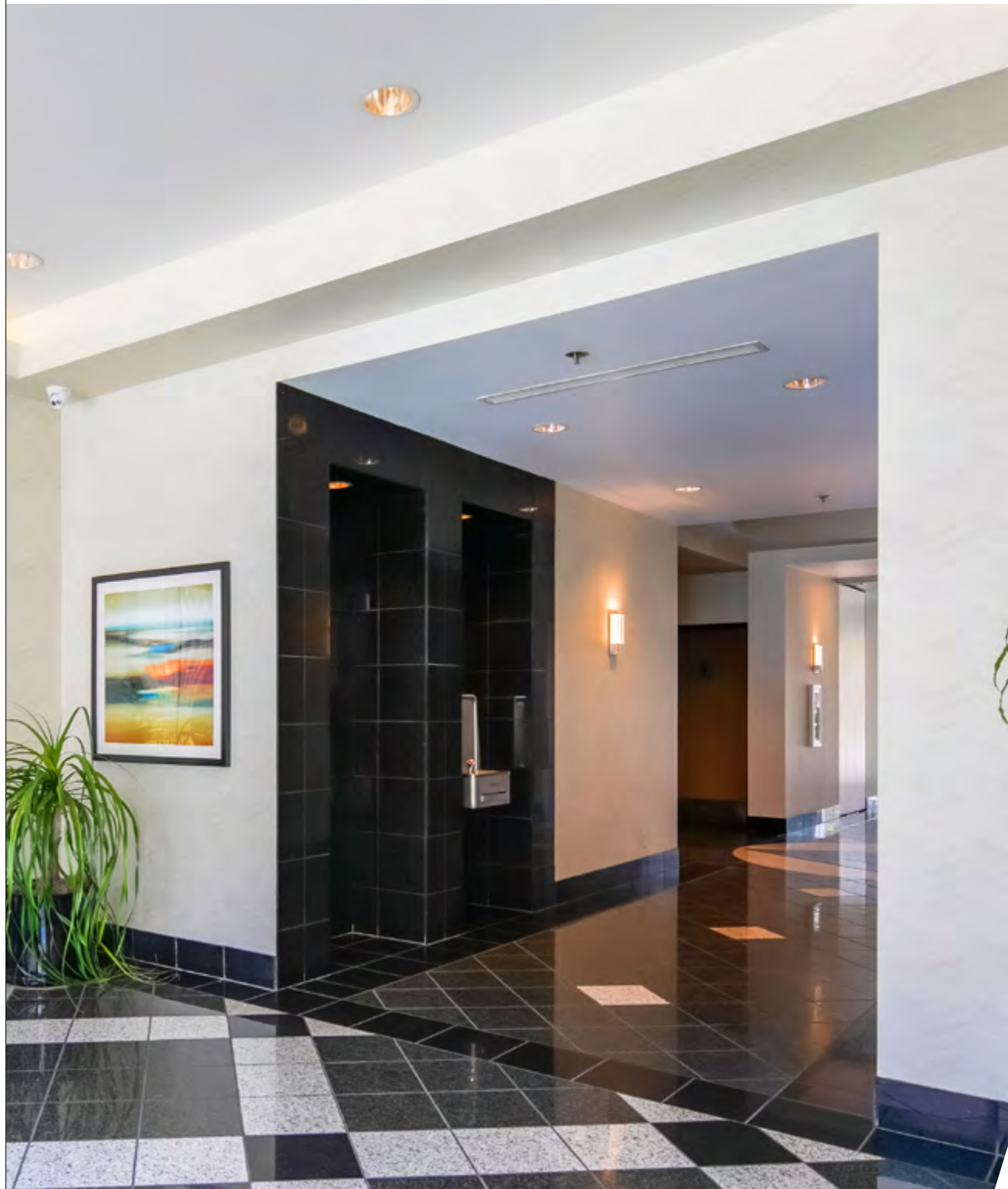
### EXTERIOR FINISHES, DOORS & WINDOWS

Concrete wall columns and reflective glass exterior walls, along with metal-framed glass doors.



### INTERIOR IMPROVEMENTS

Standard, commercial-grade office improvements, with tenant suites and restrooms on each floor.





#### **ELEVATORS**

One [1] passenger elevator.



#### **ELECTRICAL/POWER SYSTEM**

Standard electrical power for office use.



#### **HVAC SYSTEM:**

Cool air is provided by units located within the tenant's suits and run by a cooling tower



#### **FIRE SAFETY**

Building is fully sprinklered and equipped with a fire alarm system.



#### **UTILITIES PROVIDERS**

**Gas:** San Diego Gas & Electric

**Electric:** San Diego Gas & Electric

**Water:** City of Escondido

**Waste Services:** City of Escondido

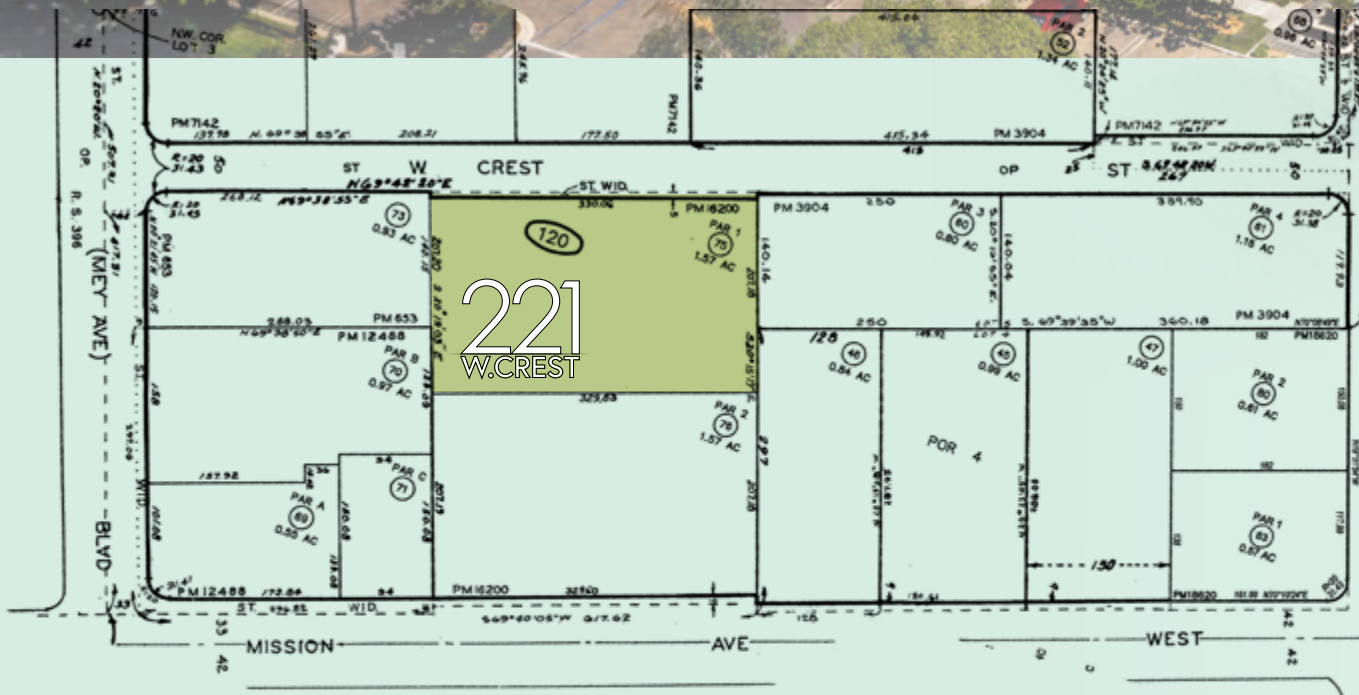
**Telecommunications:** Various



#### **SITE ACCESS**

The property has one [1] point of egress/ingress off Crest Street

PARCEL MAP



APN  
229-120-75-00

ZONING  
C-G: GENERAL COMMERCIAL

LAND USE  
COMMERCIAL



This map is for assessment use only and does NOT represent a survey. No liability is assumed for the accuracy of the data delineated herein. Map not to scale.

ADDITIONAL GATED PARKING  
(CALL FOR DETAILS)

Increases Parking Ratio to  
**6.63:1000**

SITE PLAN

W CREST ST

221  
W.CREST

W MISSION AVE



Map not to scale.

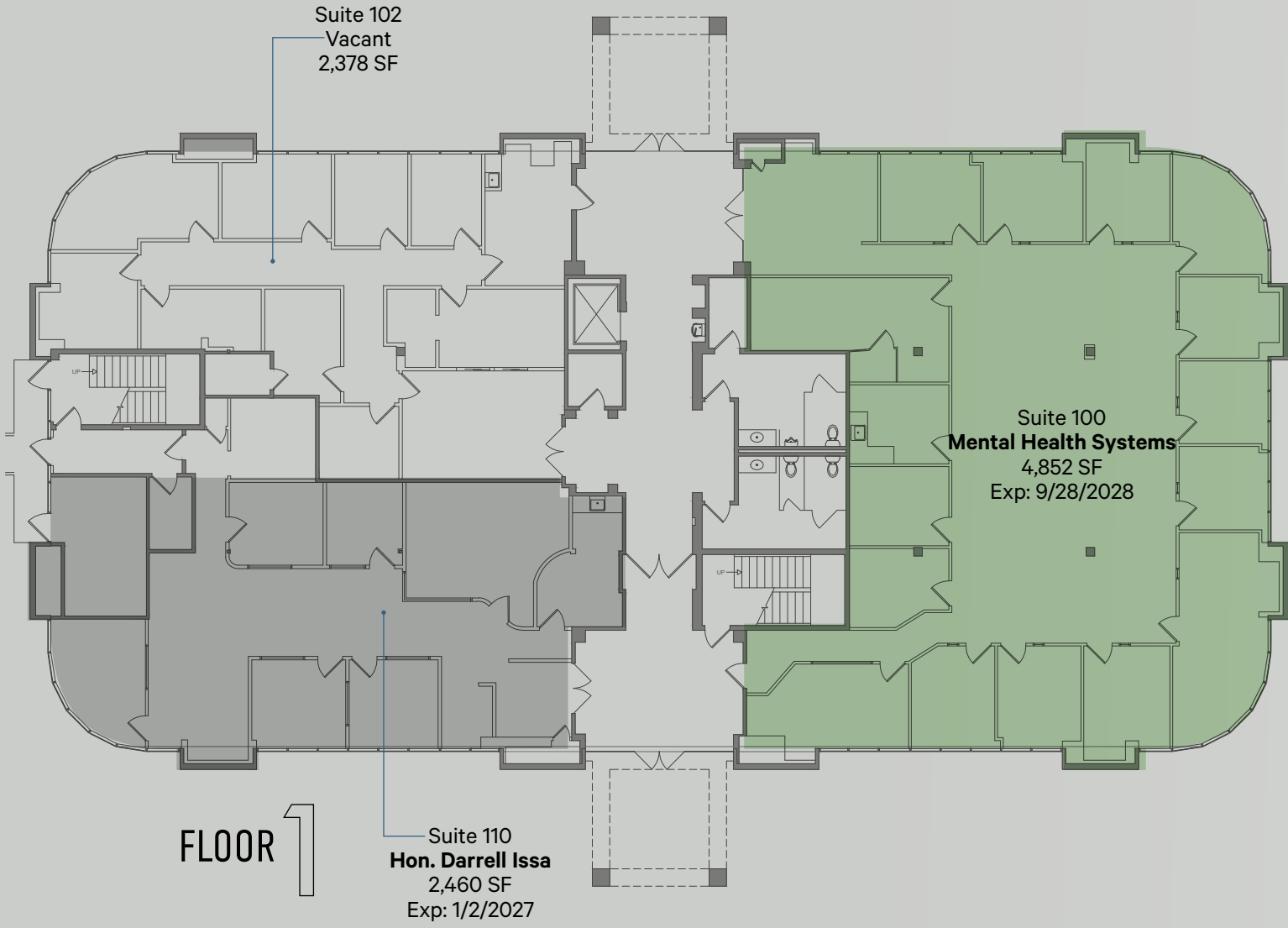
FLOOR PLANS

2027

2028

2029

2030

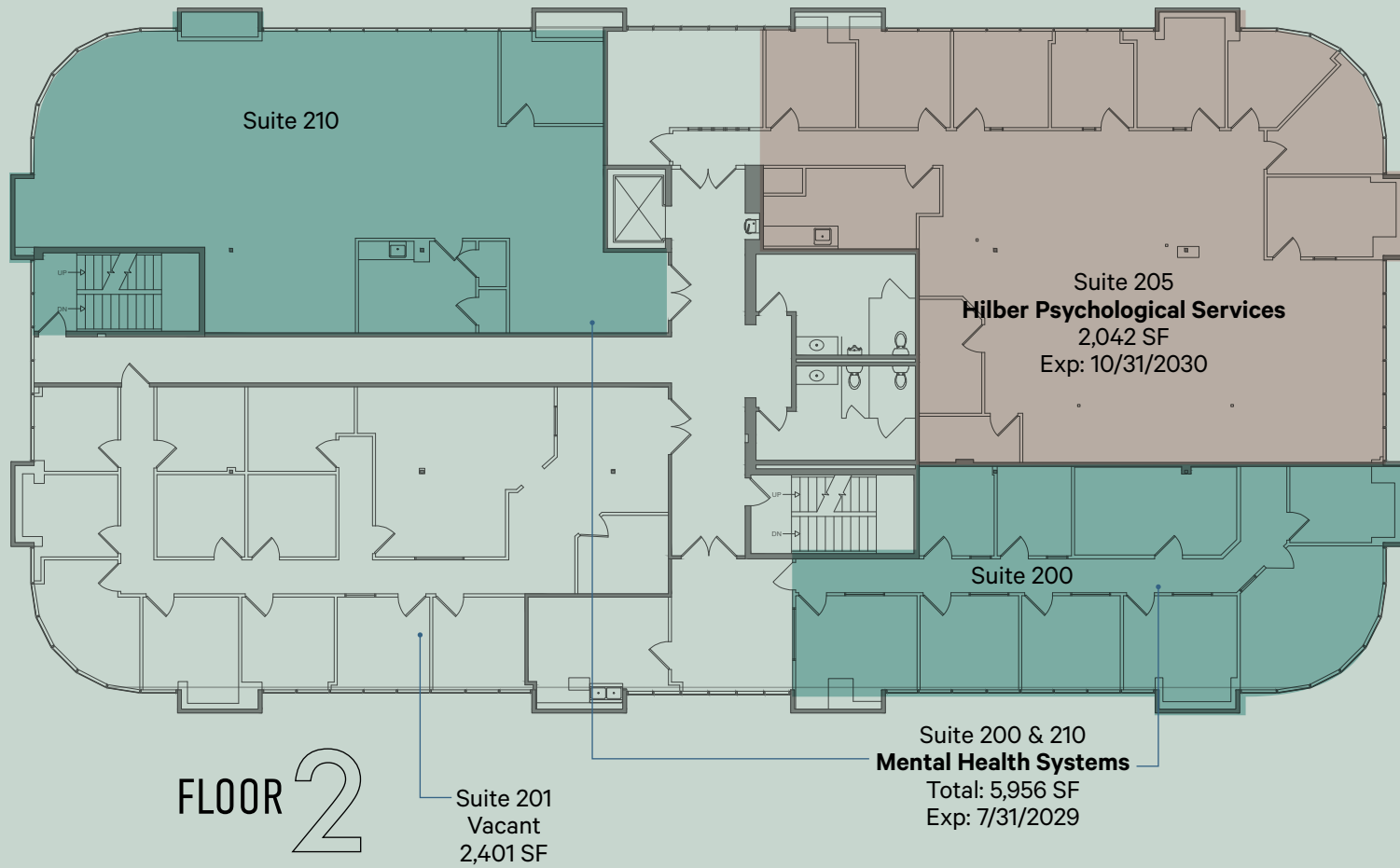


2027

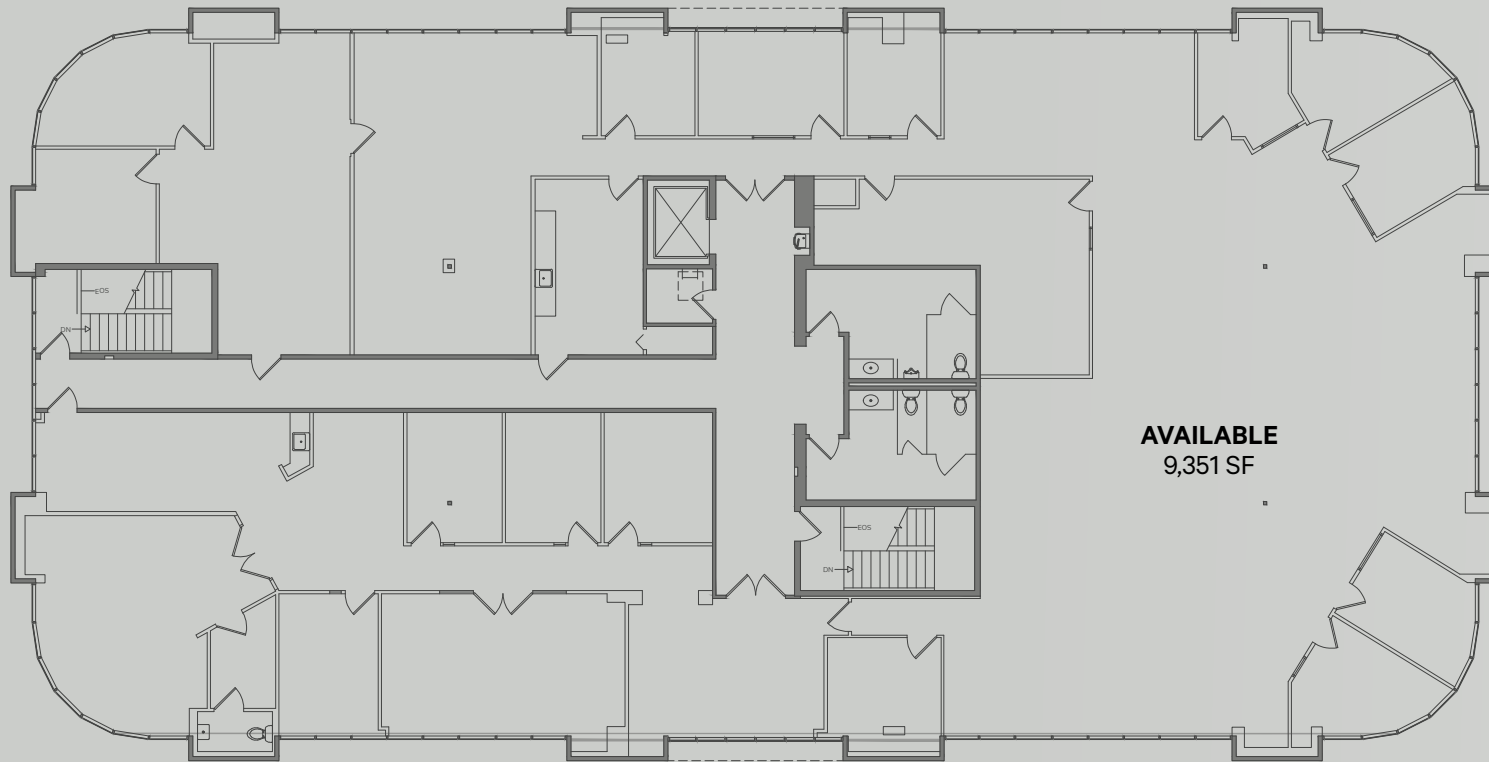
2028

2029

2030



**Entire Floor Available for an Owner User.**



**AVAILABLE**  
9,351 SF

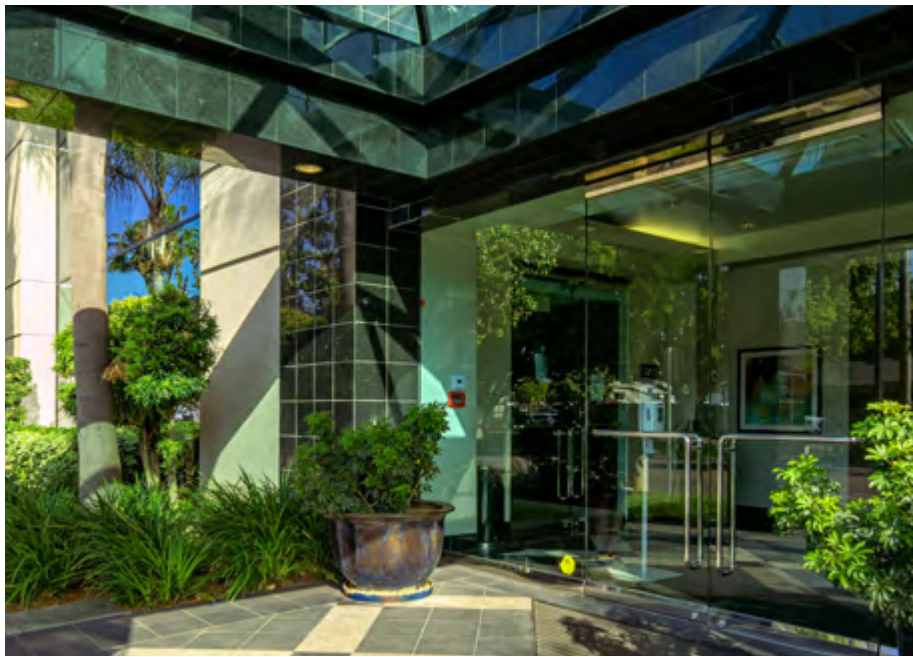
FLOOR 3





 TRIAD

221







# area overview.

ESCONDIDO IS STRATEGICALLY LOCATED AT THE INTERSECTION OF THE 78 AND I-15 AND PROVIDES ACCESS TO BOTH NORTH COUNTY SAN DIEGO AND CENTRAL SAN DIEGO ALONG THE I-15 CORRIDOR.

RANCHO  
BERNARDO

ESCONDIDO  
CITY HALL

PETSMART REGAL IMAX



Walgreens

STATER BROS.  
HOTELS



221  
W.CREST

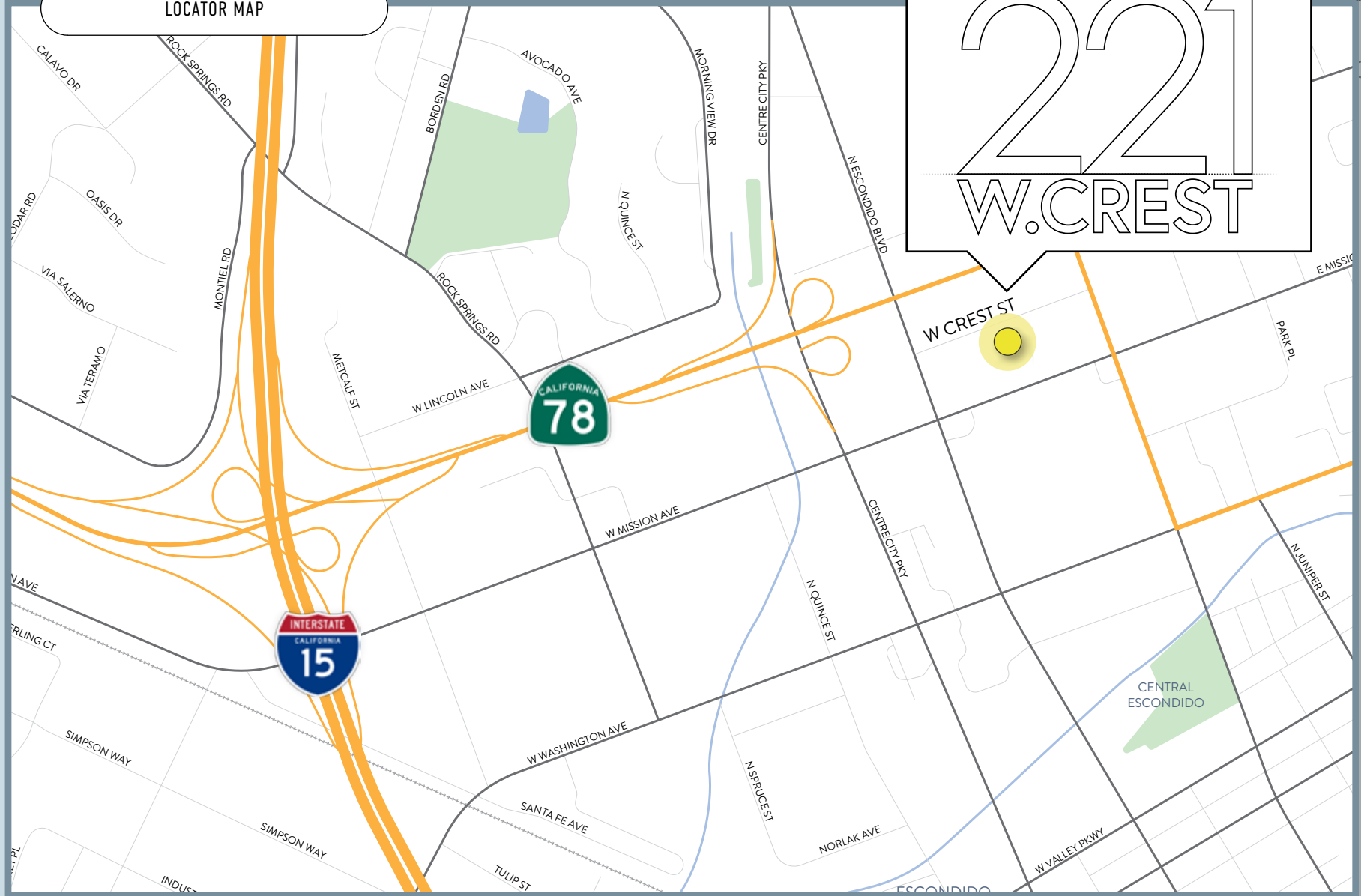
ADDITIONAL GATED PARKING  
(CALL FOR DETAILS)

Increases Parking  
Ratio to  
**6.63:1000**


N ESCONDIDO BLVD

W CREST ST BLVD

LOCATOR MAP



221  
W. CREST

 This map is for assessment use only. Map not to scale.

# 221 W.CREST



1

DOWNTOWN SAN DIEGO  
± 31 MILES

2

SAN DIEGO  
INTERNATIONAL AIRPORT  
± 35 MILES

3


SAN BERNARDINO  
± 11 MILES

4

PALOMAR MEDICAL CENTER  
± 2.4 MILES

5

CARLSBAD  
± 19 MILES

 This map is for assessment use only. Map not to scale.



# SAN DIEGO COUNTY OVERVIEW

San Diego County’s nearly perfect year-round weather combined with a dynamic economy makes the region one of the most desirable places to live and work in the United States. San Diego’s quality of life and burgeoning economy attract residents, businesses and visitors from around the world.

Over the last two decades, the San Diego region has developed its own progressive identity as a premier tourist destination as well as a leader in defense development, biotechnology, sustainable energy, wireless and telecommunications technologies — and electronics manufacturing.

**3,334,024**<sup>[3]</sup>

POPULATION

**36**

MEDIAN AGE

**\$245**<sup>B[2]</sup>  
GROSS REGIONAL PRODUCT

**\$108,186**<sup>[1]</sup>  
AVERAGE HH INCOME

**1,165,877**<sup>[1]</sup>  
HOUSEHOLDS

**\$698,955**<sup>[1]</sup>  
AVERAGE HOME VALUE

**39.9%**  
POPULATION WITH COLLEGE DEGREE

**2.36M (72%)**  
TOTAL GEN-Z, MILLENNIAL AND GEN-X POPULATION

[1] Fast Report [2] U.S. Bureau of Economic Analysis [3] United States Census Bureau



Best place in America to launch a startup  
**FORBES MAGAZINE**



Most diverse high-tech Sector in the nation  
**MILKEN INSTITUTE**



Highest number of active duty military  
**BEA.GOV**



Average commute time among top 25 most populated metros (24.9 mins)  
**AMERICAN COMMUNITY SURVEY**



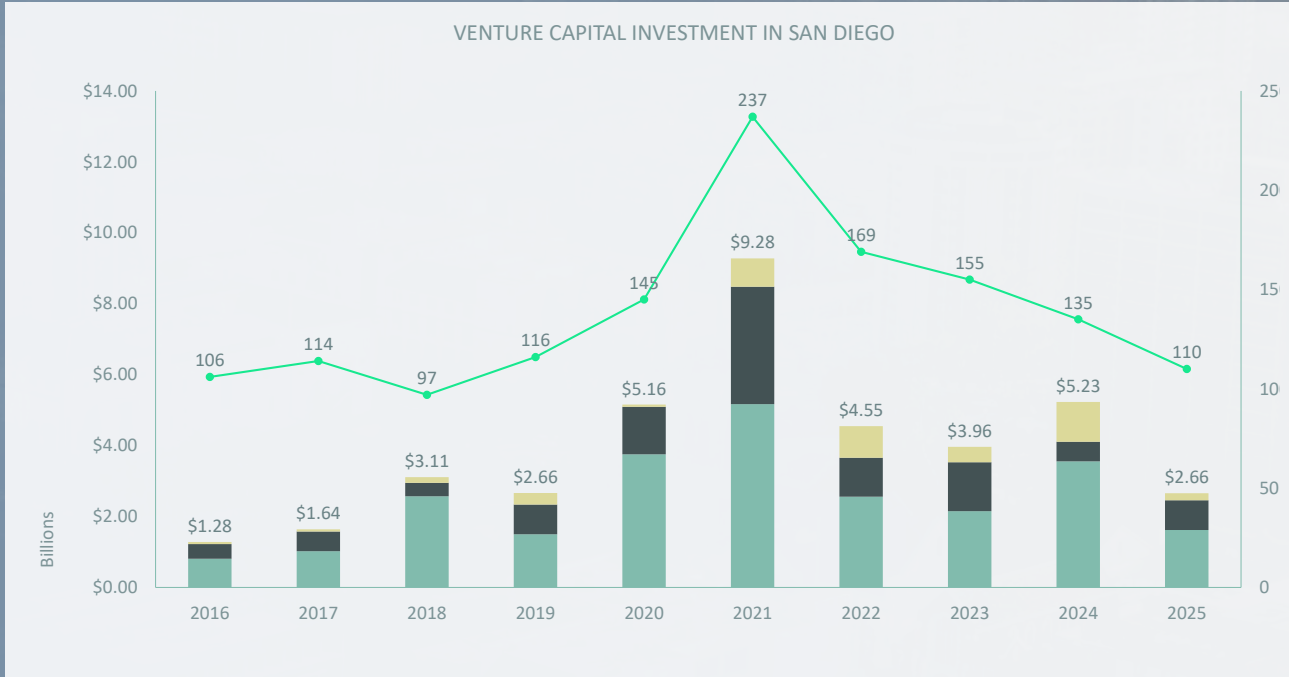
Top Metro in U.S. for relocation  
**APA SURVEY**



Top U.S. Travel Destination  
**MONEY MAGAZINE**

# WHAT'S PROPELLING SAN DIEGO: CAPITAL FUNDING

Record level of Venture Capital funding pouring into the regions most promising companies focused primarily on tech and Life Sciences. **Over \$9B in funding throughout 2021, which was 3.2X the 5yr average.**



# SAN DIEGO RANKINGS

**#1 MOST PATENT INTENSE REGION IN THE U.S. — #3 IN THE WORLD**

SAN DIEGO ECONOMIC DEVELOPMENT CORPORATION

**#3 CLEAN TECH CITY IN AMERICA**

CLEAN TECH LEADERSHIP

**#3 LIFE SCIENCES HUB**

**#4 IN VENTURE CAPITAL DOLLARS PER EMPLOYEE**

NATIONAL VENTURE CAPITAL ASSOCIATION / U.S. BUREAU OF LABOR STATISTICS

**#5 CITY FOR FAST-GROWTH COMPANIES**

INC. MAGAZINE

**#5 SAN DIEGO RANKS FIFTH AMONG THE TOP 25 U.S. STARTUP HUBS**

U.S. CHAMBER OF COMMERCE FOUNDATION

## SAN DIEGO RANKS

# #2

INNOVATION

Patent intensity, federal funding, venture capital investment

# #2

TALENT

Graduate pipeline, transferable skills, occupational concentration

# #4

GROWTH

Unique job postings, five-year occupational growth



# lease vs. own

This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to confirm independently its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial, and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. THIS IS AN OPINION OF VALUE OR COMPARATIVE MARKET ANALYSIS AND SHOULD NOT BE CONSIDERED AN APPRAISAL. In making any decisions that rely upon this analysis, it should be noted that we have not followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation.

## LEASE VS OWN ANALYSIS

### YEAR 1 MONTHLY TAX SAVINGS WITH LOSS CARRY FORWARDS OF \$54,244/MONTH.

#### BENEFITS OF OWNERSHIP

#### FAVORABLE TAX DEDUCTIONS TO IMPROVE THE BOTTOM LINE

- Mortgage loan interest
- Annual depreciation
- Cost of building improvements

#### ACQUIRING AN ASSET THAT CREATES VALUE (WEALTH BUILDER)

- Potential source of rental income
- Equity Build-up/Appreciation in asset value over time
- Diversification of business profits

#### POTENTIAL SOURCE OF PASSIVE INCOME

- Income stream from leasing a portion of the property

#### BENEFITS OF OWNING PROPERTY

- Space can be modified to accommodate changes in the business

#### NOTES:

[1] Tax Rate calculated using 37.00% Federal and 13.30% State Ordinary Income Tax Rate.  
 [2] Rate includes cost segregated depreciation. Assumes 67.00% of asset treated as real property, capital gains on appreciation at 20.00%, depreciation recapture at 25.00%, and a blended ordinary income tax rate based on the federal and respective state tax rates.

[3] Depreciation assumes Cost Segregation Study with break down of Improvements into 4 different asset classes with mid-year convention: 18.00% for a 5 Yr asset, 2.00% for a 7 Yr asset, 13.00% for a 15 Yr asset, 67.00% for a 39 Yr asset resulting in roughly 22 years of depreciation during hold period.

PURCHASE ASSUMPTIONS			
Unit Size	30,896 SF	Base Purchase Price	\$6,448,160
Property Type	Office	Base Price Per Square Foot	\$208.71
Address	221 W Crest St Escondido, CA		

GLOBAL ASSUMPTIONS			
Analysis Period	10 Years	Combined Federal and State Tax Rate [1]	45.38%
Operating Expense Growth Rate	3.00%	Effective Blended Capital Gains Rate [2]	37.12%

LEASE ALTERNATIVE		OWN ALTERNATIVE	
<b>Lease Assumptions</b>		<b>Loan Assumptions</b>	
Size of Leased Premises	15,482 SF	Loan Amount	55.00% LTV \$3,546,488
Monthly MG + E Rent	\$2.10 PSF	Interest Rate	6.00%
Annual Rent Increases	3.00%	Amortization Period	30 Years
Monthly MG + E Charges	\$0.20 PSF	Loan Fees/Costs	1.00% \$35,465
Equity Available for Investment	\$2,937,137	Total Equity Investment (Down Pymt & Fees)	\$2,937,137
After-Tax Equity Investment Rate	3.00%	Monthly Operating Expenses	\$0.95 PSF
		Annual Growth / Appreciation of Property	2.00%
		Third Party Tenant Revenue	
		Size of 3rd Party Tenant	15,414 SF
		3rd Party Monthly MG + E Rent	\$2.18 PSF
		3rd Party Monthly MG + E Charges	\$0.20 PSF
		Annual Rent Increases	3.00%
		Depreciable Basis (Non Land Portion)	70% \$4,513,712

LEASE			OWN		
Monthly Year 1	Per SF	Monthly	Monthly Year 1	Per SF	Monthly
1st Year Monthly Rent	(\$2.10)	(\$32,512)	1st Year Loan Payments	(\$0.69)	(\$21,263)
1st Year Monthly MG + E Charges	(\$0.20)	(\$3,096)	1st Year Operating Expenses	(\$0.95)	(\$29,351)
Tax Savings on Rent Expense	\$0.95	\$14,754	Tax on OPEX + 3rd Party Rev.	(\$0.11)	(\$3,339)
Tax Savings on MG + E Charges	\$0.09	\$1,405	Revenue from 3rd Party Tenant	\$1.19	\$36,710
After-Tax Investment Income	\$0.47	\$7,343	Tax Savings on Interest Expense	\$0.26	\$8,002
			Tax Savings on Depreciation	\$1.71	\$52,739
			Building Appreciation	\$0.35	\$10,747
<b>Monthly Year 1 After-Tax Costs</b>	<b>(\$0.78)</b>	<b>(\$12,107)</b>	<b>Monthly Year 1 After-Tax Savings</b>	<b>\$1.76</b>	<b>\$54,244</b>

Savings as Owner in Monthly After-Tax Costs Year 1 **\$66,351**

10-Year Total		Total	10-Year Total		Total
Total Rent (Effective \$2.41 Over 10 Yrs)		(\$4,472,591)	Total Loan Payments		(\$2,587,023)
Total MG + E Charges (Effective \$0.23 Over 10 Yrs)		(\$425,961)	Total Operating Expenses		(\$4,037,743)
Tax Savings on Rent Expenses		\$2,029,617	Tax on OPEX + 3rd Party Rev.		(\$459,397)
Tax Savings on MG + E Charges		\$193,297	Revenue from 3rd Party Tenant		\$5,050,100
After-Tax Investment Income		\$1,010,129	Tax Savings on Interest Expense		\$911,410
			Tax Savings on Depreciation		\$963,741
			Building Appreciation		\$1,412,111
			Principal Paydown		\$578,584
			Capital Gains Tax		(\$1,280,906)
<b>Total After-Tax Cash Flow</b>		<b>(\$1,665,509)</b>	<b>Total After-Tax Cash Flow</b>		<b>\$550,876</b>

Savings as Owner in Total After-Tax Cash Flows **\$2,216,384**



TRIAD

221

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Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

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# 2021 W.CREST

SCAN TO VISIT OUR WEBSITE



PCPLISTINGS.COM

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Jackson Marlow  
Nick Williams  
Halie Bergeron  
Paul Stache

### Los Angeles / Ventura County

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Gerard Poutier  
Grant Goldman  
Dylan Rutigliano

### San Diego

Matt Pourcho  
Matt Harris  
Casey Sterk

### Phoenix

Geoffrey Turbow  
James Chantilas  
Emily Minnier  
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### Portland

Graham Taylor  
Gabe Schnitzer

### Boise

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Kurt Gregg  
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Chris Martin  
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Matt Post

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Marc Magliarditi

### Midwest U.S.

Kevin Foley  
Austin Wolitarsky

### Northern Colorado

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